

Minutes of the Regular Meeting of the Board of Directors of the Castaic Lake Water Agency – May 24, 2017

A regular meeting of the Board of Directors of the Castaic Lake Water Agency was held at Castaic Lake Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350, at 6:15 PM on Wednesday, May 24, 2017. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

DIRECTORS PRESENT: Directors B. J. Atkins, Tom Campbell (arrived at 6:30 PM), William Cooper, Robert DiPrimio, Dean Efstathiou, Jerry Gladbach, R. J. Kelly, Gary Martin and William Pecsí were in attendance.

DIRECTORS ABSENT: Ed Colley and Jacque McMillan.

Also present: Matthew Stone, General Manager; Valerie Pryor, Assistant General Manager; Joe Byrne, General Counsel; April Jacobs, Board Secretary; Brian Folsom, Engineering and Operations Manager; Dirk Marks, Water Resources Manager; Rick Viergutz, Principal Water Resources Planner; Keith Abercrombie, Retail Manager; Elizabeth Ooms-Graziano, Retail Administrative Officer; Brent Payne, Senior Engineer; Adam Pontious, Production Supervisor; Carlos Corrales, Controller; Mark Passamani, Safety Officer; Jeff Dunn and Gerald Lederer, Best Best and Krieger (via teleconference); and members of the public.

President DiPrimio called the meeting to order at 6:15 PM. A quorum was present.

Upon motion of Director Gladbach, seconded by Director Kelly and carried, the Agenda was approved by the following voice votes (Item 1.4):

Director Atkins	Not Present	Director Campbell	Not Present
Director Colley	Absent	Director Cooper	Yes
President DiPrimio	Yes	Director Efstathiou	Yes
Director Gladbach	Yes	Director Kelly	Yes
Vice President Martin	Yes	Director McMillan	Absent
Director Pecsí	Yes		

President DiPrimio opened the Public Hearing at 6:18 PM on the Adoption of a Resolution to Establish the Santa Clarita Valley Groundwater Sustainability Agency through a Memorandum of Understanding. A presentation was given by the Principal Water Resources Planner Rick Viergutz. The Board and public were given an opportunity to make comments regarding the presentation (Item 2.1).

President DiPrimio closed the Public Hearing at 6:35 PM.

Upon motion of Director Gladbach, seconded by Director Cooper and carried, the Board approved Resolution No. 3161 and 3162 authorizing the General Manager to Enter into an Agreement to Form a Groundwater Sustainability Agency by the following voice votes (Item 2.2.):

Director Atkins	Yes	Director Campbell	Yes
Director Colley	Absent	Director Cooper	Yes
President DiPrimio	Yes	Director Efstathiou	Yes

Director Gladbach	Yes	Director Kelly	Yes
Vice President Martin	Yes	Director McMillan	Absent
Director Pecsí	Yes		

RESOLUTION NO. 3161

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CASTAIC LAKE WATER AGENCY
TO APPROVE THE MEMORANDUM OF UNDERSTANDING
TO FORM THE SANTA CLARITA VALLEY
GROUNDWATER SUSTAINABILITY AGENCY AND FINDING APPROVAL OF THE
MEMORANDUM OF UNDERSTANDING EXEMPT FROM REVIEW UNDER THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT**

WHEREAS, the Sustainable Groundwater Management Act of 2014, California Water Code section 10720 et. seq. (SGMA), went into effect on January 1, 2015; and

WHEREAS, the legislative intent of SGMA is to provide for the sustainable management of groundwater basins, to enhance local management of groundwater, to establish minimum standards for sustainable groundwater management, and to manage groundwater basins through the actions of local governmental agencies to the greatest extent feasible while minimizing state intervention; and

WHEREAS, SGMA requires that California groundwater basins and subbasins designated by the California Department of Water Resources as high priority or medium priority be managed by one or more Groundwater Sustainability Agencies (GSAs) and that such management be accomplished pursuant to one or more approved Groundwater Sustainability Plans (GSPs) for the basin; and

WHEREAS, California Water Code Section 10721(j) defines a GSA as one or more local agencies that implement the provisions of SGMA; and

WHEREAS, any local public agency that has water supply, water management, or land use responsibilities within a groundwater basin may decide to become a GSA over that basin (California Water Code Sections 10721 and 10723); and

WHEREAS, SGMA provides that a combination of local agencies may form a GSA by a joint powers agreement, a memorandum of agreement, or other legal agreement (Water Code Section 10723.6); and

WHEREAS, Castaic Lake Water Agency's Santa Clarita Water Division overlies a portion of the Santa Clara River Valley East Subbasin, groundwater basin number 4-4.07 per the State of California, Department of Water Resources (DWR) Groundwater Bulletin 118, which has been designated by the State of California as a high priority basin; and

WHEREAS, Castaic Lake Water Agency's Santa Clarita Water Division has water supply and water management responsibilities within the Santa Clara River Valley East Subbasin; and

WHEREAS, it is beneficial to the health, safety, and water supply reliability of the Santa Clarita Valley for Castaic Lake Water Agency's Santa Clarita Water Division to retain local jurisdiction over groundwater resources within the Santa Clara River Valley East Subbasin; and

WHEREAS, Castaic Lake Water Agency's Santa Clarita Water Division has been working cooperatively with other local agencies that also plan to manage groundwater in compliance with SGMA, including Newhall County Water District, Los Angeles County Waterworks District No. 36, Castaic Lake Water Agency acting as a water wholesaler, the City of Santa Clarita, and the County of Los Angeles; and

WHEREAS, Castaic Lake Water Agency's Santa Clarita Water Division, along with its regional partners Newhall County Water District, Los Angeles County Waterworks District No. 36, the Castaic Lake Water Agency acting as a water wholesaler, the City of Santa Clarita, and the County of Los Angeles intend to jointly form the Santa Clarita Valley Groundwater Sustainability Agency (SCV-GSA) through a Memorandum of Understanding to work collaboratively to manage groundwater resources in the Santa Clara River Valley East Subbasin and to comply with SGMA; and

WHEREAS, Castaic Lake Water Agency's Santa Clarita Water Division staff evaluated the proposed Memorandum of Understanding and formation of the SCV-GSA in light of the proposed standards for environmental review outlined in the California Environmental Quality Act ("CEQA") and the California Code of Regulations (Cal. Code Regs., tit. 14, §§ 15000 et seq.) ("State CEQA Guidelines"); and

WHEREAS, based on that review, staff determined that the proposed Memorandum of Understanding and the formation of the SCV-GSA would not constitute a project within the meaning of CEQA or the State CEQA Guidelines; and

WHEREAS, even assuming the proposed Memorandum of Understanding and formation of the SCV-GSA constitutes a project within the meaning of CEQA, staff has evaluated the proposed actions and determined that each, individually and in the aggregate, would be exempt from CEQA review pursuant to State CEQA Guidelines sections 15307, 15308, and 15061(b)(3); and

WHEREAS, prior to adopting a resolution of intent to establish Castaic Lake Water Agency's Santa Clarita Water Division as a member of the SCV-GSA, Water Code Section 10723 requires Castaic Lake Water Agency to hold a public hearing, after publication of notice pursuant to California Government Code Section 6066, on whether to become a GSA; and

WHEREAS, pursuant to Government Code Section 6066, notices of a public hearing on whether or not to adopt a resolution to establish the SCV-GSA through a Memorandum of Understanding were published on May 10, 2017 and May 17, 2017; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Castaic Lake Water Agency does hereby resolve as follows:

1. The Board hereby finds and determines that the approval of the Memorandum of Understanding and formation of the SCV-GSA is not a project pursuant to CEQA. Specifically, the Board finds that, because these actions do not approve any projects, or authorize any further activities, they do not constitute the approval of any project within the meaning of CEQA that would contain enough meaningful information for environmental assessment. In the

alternative, and assuming the approval of the Memorandum of Understanding and formation of the SCV-GSA constitutes a project under CEQA, the Board finds that these actions, individually and in the aggregate, are exempt from CEQA pursuant to State CEQA Guidelines sections 15307 and 15308, each of which exempts actions, as authorized by state law, taken by regulatory agencies that are designed to assure the maintenance, restoration, enhancement, or protection of the environment or a natural resource where the regulatory process involves procedures for protection of the environment. In addition, the Board finds that these actions are exempt from further review under CEQA because it can be seen with certainty that there is no possibility that these actions may have a significant effect on the environment pursuant to State CEQA Guidelines section 15061(b)(3).

2. The Board hereby elects that Castaic Lake Water Agency's Santa Clarita Water Division will participate as a member of the SCV-GSA to manage groundwater within the boundaries of the Santa Clara River Valley East Subbasin pursuant to the Memorandum of Understanding to Form the Santa Clarita Valley Groundwater Sustainability Agency; and

3. The Board hereby authorizes the General Manager or his designee to execute the "Memorandum of Understanding to Form the Santa Clarita Valley Groundwater Sustainability Agency," a copy of which is attached hereto as Exhibit A; and

4. The Board hereby authorizes the General Manager or his designee to coordinate with the other members of the SCV-GSA to provide a copy of this resolution, Notice of Intent, and all other necessary documentation to DWR within 30 days of full execution of the Memorandum of Understanding and to otherwise comply with the requirements of Water Code Section 10723.8; and

5. The Board hereby authorizes the General Manager or his designee to coordinate with the other members of the SCV-GSA to maintain a list of interested parties regarding the newly formed SCV-GSA pursuant to Water Code Section 10723.4.

6. The Chairperson of the Board shall sign this Resolution and the Secretary of the Board shall certify this Resolution was duly and properly adopted by the Board.

7. The documents and materials that constitute the record of proceedings on which these findings have been based are located at Castaic Lake Water Agency's office located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. The custodian for these records is the Board Secretary.

RESOLUTION NO. 3162

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CASTAIC LAKE WATER AGENCY
TO APPROVE THE MEMORANDUM OF UNDERSTANDING
TO FORM THE SANTA CLARITA VALLEY
GROUNDWATER SUSTAINABILITY AGENCY AND FINDING APPROVAL OF THE
MEMORANDUM OF UNDERSTANDING EXEMPT FROM REVIEW UNDER THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT**

WHEREAS, the Sustainable Groundwater Management Act of 2014, California Water Code section 10720 et. seq. (SGMA), went into effect on January 1, 2015; and

WHEREAS, the legislative intent of SGMA is to provide for the sustainable management of groundwater basins, to enhance local management of groundwater, to establish minimum standards for sustainable groundwater management, and to manage groundwater basins through the actions of local governmental agencies to the greatest extent feasible while minimizing state intervention; and

WHEREAS, SGMA requires that California groundwater basins and subbasins designated by the California Department of Water Resources as high priority or medium priority be managed by one or more Groundwater Sustainability Agencies (GSAs) and that such management be accomplished pursuant to one or more approved Groundwater Sustainability Plans (GSPs) for the basin; and

WHEREAS, California Water Code Section 10721(j) defines a GSA as one or more local agencies that implement the provisions of SGMA; and

WHEREAS, any local public agency that has water supply, water management, or land use responsibilities within a groundwater basin may decide to become a GSA over that basin (California Water Code Sections 10721 and 10723); and

WHEREAS, SGMA provides that a combination of local agencies may form a GSA by a joint powers agreement, a memorandum of agreement, or other legal agreement (Water Code Section 10723.6); and

WHEREAS, Castaic Lake Water Agency overlies a portion of the Santa Clara River Valley East Subbasin, groundwater basin number 4-4.07 per the State of California, Department of Water Resources (DWR) Groundwater Bulletin 118, which has been designated by the State of California as a high priority basin; and

WHEREAS, Castaic Lake Water Agency has water supply and water management responsibilities within the Santa Clara River Valley East Subbasin; and

WHEREAS, it is beneficial to the health, safety, and water supply reliability of the Santa Clarita Valley for Castaic Lake Water Agency to retain local jurisdiction over groundwater resources within the Santa Clara River Valley East Subbasin; and

WHEREAS, Castaic Lake Water Agency has been working cooperatively with other local agencies that also plan to manage groundwater in compliance with SGMA, including Newhall County Water District, Los Angeles County Waterworks District No. 36, the Santa Clarita Water Division, the City of Santa Clarita, and the County of Los Angeles; and

WHEREAS, Castaic Lake Water Agency, along with its regional partners Newhall County Water District, Los Angeles County Waterworks District No. 36, the Santa Clarita Water Division, the City of Santa Clarita, and the County of Los Angeles intend to jointly form the Santa Clarita Valley Groundwater Sustainability Agency (SCV-GSA) through a Memorandum of Understanding to work collaboratively to manage groundwater resources in the Santa Clara River Valley East Subbasin and to comply with SGMA; and

WHEREAS, Castaic Lake Water Agency staff evaluated the proposed Memorandum of Understanding and formation of the SCV-GSA in light of the proposed standards for environmental review outlined in the California Environmental Quality Act ("CEQA") and the

California Code of Regulations (Cal. Code Regs., tit. 14, §§ 15000 et seq.) ("State CEQA Guidelines"); and

WHEREAS, based on that review, staff determined that the proposed Memorandum of Understanding and the formation of the SCV-GSA would not constitute a project within the meaning of CEQA or the State CEQA Guidelines; and

WHEREAS, even assuming the proposed Memorandum of Understanding and formation of the SCV-GSA constitutes a project within the meaning of CEQA, staff has evaluated the proposed actions and determined that each, individually and in the aggregate, would be exempt from CEQA review pursuant to State CEQA Guidelines sections 15307, 15308, and 15061(b)(3); and

WHEREAS, prior to adopting a resolution of intent to establish Castaic Lake Water Agency as a member of the SCV-GSA, Water Code Section 10723 requires Castaic Lake Water Agency to hold a public hearing, after publication of notice pursuant to California Government Code Section 6066, on whether to become a GSA; and

WHEREAS, pursuant to Government Code Section 6066, notices of a public hearing on whether or not to adopt a resolution to establish the SCV-GSA through a Memorandum of Understanding were published on May 10, 2017 and May 17, 2017; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Castaic Lake Water Agency does hereby resolve as follows:

1. The Board hereby finds and determines that the approval of the Memorandum of Understanding and formation of the SCV-GSA is not a project pursuant to CEQA. Specifically, the Board finds that, because these actions do not approve any projects, or authorize any further activities, they do not constitute the approval of any project within the meaning of CEQA that would contain enough meaningful information for environmental assessment. In the alternative, and assuming the approval of the Memorandum of Understanding and formation of the SCV-GSA constitutes a project under CEQA, the Board finds that these actions, individually and in the aggregate, are exempt from CEQA pursuant to State CEQA Guidelines sections 15307 and 15308, each of which exempts actions, as authorized by state law, taken by regulatory agencies that are designed to assure the maintenance, restoration, enhancement, or protection of the environment or a natural resource where the regulatory process involves procedures for protection of the environment. In addition, the Board finds that these actions are exempt from further review under CEQA because it can be seen with certainty that there is no possibility that these actions may have a significant effect on the environment pursuant to State CEQA Guidelines section 15061(b)(3).
2. The Board hereby elects that Castaic Lake Water Agency will participate as a member of the SCV-GSA to manage groundwater within the boundaries of the Santa Clara River Valley East Subbasin pursuant to the Memorandum of Understanding to Form the Santa Clarita Valley Groundwater Sustainability Agency; and
3. The Board hereby authorizes the General Manager to execute the "Memorandum of Understanding to Form the Santa Clarita Valley Groundwater Sustainability Agency," a copy of which is attached hereto as Exhibit A; and

4. The Board hereby authorizes the General Manager or his designee to coordinate with the other members of the SCV-GSA to provide a copy of this resolution, Notice of Intent, and all other necessary documentation to DWR within 30 days of full execution of the Memorandum of Understanding and to otherwise comply with the requirements of Water Code Section 10723.8; and
5. The Board hereby authorizes the General Manager or his designee to coordinate with the other members of the SCV-GSA to maintain a list of interested parties regarding the newly formed SCV-GSA pursuant to Water Code Section 10723.4.
6. The Chairperson of the Board shall sign this Resolution and the Secretary of the Board shall certify this Resolution was duly and properly adopted by the Board.
7. The documents and materials that constitute the record of proceedings on which these findings have been based are located at Castaic Lake Water Agency's office located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. The custodian for these records is the Board Secretary.

Upon motion of Director Cooper, seconded by Director Kelly and carried, the Consent Calendar was approved including Resolution Nos. 3164 and 3165 and excluding Item 3.2, which was pulled and moved to Item 5.8, by the following voice votes (Item 3):

Director Atkins	Yes	Director Campbell	Yes
Director Colley	Absent	Director Cooper	Yes
President DiPrimio	Yes	Director Efstathiou	Yes
Director Gladbach	Yes	Director Kelly	Yes
Vice President Martin	Yes	Director McMillan	Absent
Director Peksi	Yes		

RESOLUTION NO. 3164

RESOLUTION OF THE CASTAIC LAKE WATER AGENCY BOARD OF DIRECTORS ADOPTING THE APPROPRIATION OF ALL AS-YET UNAPPROPRIATED FUNDS FOR FY 2016/17

WHEREAS, it is in the best interest of all Agency citizens that the Agency amend its Fiscal Year 2016/17 Budget by appropriating pursuant to Article XIII-B of the California Constitution all as-yet unappropriated funds.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Castaic Lake Water Agency hereby amends its Fiscal Year 2016/17 Budget by appropriating all as-yet unappropriated funds received through June 30, 2017 to the General Fund/Operating Fund of the Agency, with the exception that any one percent property tax receipts are hereby appropriated to the Agency's Capital Improvement Fund.

RESOLUTION NO. 3165

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE CASTAIC LAKE WATER AGENCY
ADOPTING THE APPROPRIATION LIMIT
FOR FY 2017/18**

WHEREAS, the Agency's General Manager has caused to be prepared a calculation of the Agency's annual appropriation limit for the Agency FY 2017/18; and

WHEREAS, documentation used in the determination of said appropriation limit has been publicly available at the Agency's offices for the period required by law; and

WHEREAS, Proposition 111 has determined that the appropriation limit may be set by using either the change in California per capita income or the change in assessed value of non-residential development; and

WHEREAS, it has been determined that the change in California per capita income is the appropriation selection of the Agency; and

WHEREAS, the calculation is hereby found to have been completed in full accordance with Article XIII-B of the California State Constitution and the implementing legislation for Article XIII-B.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Castaic Lake Water Agency does hereby, based upon said calculation, adopt the sum of \$34,170,105 as its FY 2017/18 appropriation limit.

Upon motion of Director Cooper, seconded by Director Atkins and carried, the Board approved Resolution No. 3166 approving no increase in Director Compensation for FY 2017/18 by the following voice votes (Item 4.1.1):

Director Atkins	Yes	Director Campbell	Yes
Director Colley	Absent	Director Cooper	Yes
President DiPrimio	Yes	Director Efstathiou	Yes
Director Gladbach	Yes	Director Kelly	Yes
Vice President Martin	Yes	Director McMillan	Absent
Director Pecsí	Yes		

RESOLUTION NO. 3166

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE CASTAIC LAKE WATER AGENCY
APPROVING NO INCREASE IN DIRECTOR COMPENSATION
FOR FISCAL YEAR 2017/18**

WHEREAS, the Board of Directors daily compensation rate is \$228.15/day, maximum of ten meetings per month for FY 2016/17 subject to an increase on July 1, 2017 of 5%; and

WHEREAS, Section 4 of Ordinance 37 provides the Board, by resolution, may prospectively reduce or suspend this increase.

NOW, THEREFORE, the Board of Directors of the Castaic Lake Water Agency resolves as follows:

Section 1. Effective July 1, 2017, there shall be no increase of Director's daily compensation for FY 2017/18, leaving the daily rate at \$228.15 for FY 2017/18.

Section 2. This Resolution shall take effect July 1, 2017 and shall terminate on June 30, 2018 without further Board action.

Section 3. Staff is directed to take the necessary action to implement this Resolution.

AB 1234 Reports (Item 4.2):

President DiPrimio reported that he attended the ACWA Spring Conference in Monterey on May 9-12, 2017, participated in a conference call with the Ad Hoc Legislation Committee on May 11, 2017 and attended the COC Scholarship Program held at the University Center on May 18, 2017.

Vice President Martin reported that he participated in Ad Hoc Legislation Conference calls on April 27, May 4 and May 18, 2017, attended the ACWA Spring Conference held in Monterey on May 9-12, 2017, attended the CLWA Open House held at the Agency on May 13, 2017, participated in a pre-conference call with the ACWA Legislative Committee on May 17, 2017 and attended the ACWA State Legislative Committee meeting held in Sacramento on May 19, 2017.

Director Atkins reported that he attended a tour of the Carlsbad Desalination Plant in Carlsbad on May 3, 2017 and attended the P3 Conference held in San Diego on May 4-5, 2017.

Director Cooper reported that he participated in a conference call with ACWA Region 8 on May 1, 2017 and attended the ACWA Spring Conference in Monterey on May 9-12, 2017.

Director Efstathiou reported that he attended the ACWA Spring Conference held in Monterey on May 9-12, 2017 and participated in a conference call with SCWC Legislative Task Force on May 22, 2017.

Director Gladbach reported that he attended various ACWA Committees and the ACWA Spring Conference held in Monterey on May 9-12, 2017.

Director Kelly reported that he attended a lunch meeting with the General Manager on May 2, 2017, attended the ACWA Spring Conference in Monterey on May 9-12, 2017 and attended the COC Scholarship Program held at the University Center on May 18, 2017.

Director Pecsí reported that he attended the ACWA Spring Conference held in Monterey on May 9-12, 2017.

Upon motion of Director Efstathiou, seconded by Director Cooper and carried, the Board approved Resolution No. 3167 adopting the Wholesale System FY 2017/18 Budget and amending the FY 2016/17 Budget by the following votes (Item 5.3.1):

Director Atkins	Yes	Director Campbell	Yes
Director Colley	Absent	Director Cooper	Yes
President DiPrimio	Yes	Director Efstathiou	Yes
Director Gladbach	Yes	Director Kelly	Yes
Vice President Martin	Yes	Director McMillan	Absent
Director Peksi	Yes		

RESOLUTION NO. 3167

**RESOLUTION OF THE CASTAIC LAKE WATER AGENCY
BOARD OF DIRECTORS
ADOPTING THE BUDGET
FOR FISCAL YEAR 2017/18
AND AMENDING THE FISCAL YEAR 2016/17 BUDGET**

WHEREAS, the Castaic Lake Water Agency has determined under its Board Procedures Manual that the Agency shall annually adopt a budget prior to the commencement of each fiscal year; and

WHEREAS, the Board of Directors has reviewed the Fiscal Year (FY) 2017/18 Budget, including sections on the Operating Budget and Capital Expenditures; and

WHEREAS, the Board of Directors has reviewed the revised FY 2016/17 Budget for the one percent property tax fund to reflect a contractually-required increase in the cost of the Buena Vista/Rosedale Rio Bravo Water Supply.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Castaic Lake Water Agency hereby:

1. Adopts the FY 2017/18 Budget (Attachment A).
2. Appropriates the Operating Expenditures, Capital Expenditures, and Debt Principal and Interest Payment for each fund for FY 2017/18 as shown in the FY 2017/18 Financial Summary (Attachment A).
3. Authorizes the General Manager to make interfund transfers up to the amounts shown in the FY 2017/18 Financial Summary (Attachment A).
4. Authorizes the General Manager to move operating appropriations from one line item to another or from one Department/Division by fund to another, provided that total appropriations by fund are not changed.
5. Amends the FY 2016/17 Budget for the one percent property tax fund as shown in the FY 2016/17 Budget Financial Summary (Attachment B).

Upon motion of Director Efstathiou, seconded by Director Kelly and carried, the Board approved Resolution No. 3168 adopting the Retail System FY 2017/18 Budget by the following voice votes (Item 5.3.1):

Director Atkins	Yes	Director Campbell	Yes
Director Colley	Absent	Director Cooper	Yes
President DiPrimio	Yes	Director Efstathiou	Yes
Director Gladbach	Yes	Director Kelly	Yes
Vice President Martin	Yes	Director McMillan	Absent
Director Peksi	Yes		

RESOLUTION NO. 3168

RESOLUTION OF THE CASTAIC LAKE WATER AGENCY BOARD OF DIRECTORS ADOPTING THE RETAIL BUDGET FOR FISCAL YEAR 2017/18

WHEREAS, the Santa Clarita Water Division of Castaic Lake Water Agency complies with the Board Procedures Manual requirement that the Agency shall annually adopt a budget prior to the commencement of each fiscal year; and

WHEREAS, the Board of Directors has reviewed and concluded no modifications or adjustments to the Fiscal Year (FY) 2017/18 Budget are required and, as such, this Budget can be considered for adoption as the Santa Clarita Water Division FY 2017/18 Budget; and

WHEREAS, the Board of Directors has reviewed the Retail FY 2017/18 Budget, including sections on the Operating Budget and Capital Expenditures.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Castaic Lake Water Agency hereby:

1. Adopts the attached Retail FY 2017/18 Budget (Attachment C).
2. Appropriates the Operating Expenditures, Capital Expenditures and Debt Principal and Interest Payment for each fund for FY 2017/18 shown on the attached Financial Summary (Attachment C).
3. Authorizes the General Manager or Retail Manager to make interfund transfers up to the amounts shown on the attached Financial Summary.
4. Authorizes the General Manager or Retail Manager to move operating appropriations from one line item to another or from one department/division by fund to another, provided that total appropriations by fund are not changed.

The General Manager gave an update on legislation regarding the creation of a new water district (Item 5.6).

Upon motion of Director Atkins, seconded by Director Gladbach and carried, the Board approved Resolution No. 3163 authorizing the General Manager to enter into a contract with CP Systems for the video surveillance system in an amount not-to-exceed \$132,000 by the following voice votes (Item 5.8):

Director Atkins	Yes	Director Campbell	Yes
Director Colley	Absent	Director Cooper	Yes
President DiPrimio	Yes	Director Efstathiou	Yes
Director Gladbach	Yes	Director Kelly	Yes
Vice President Martin	Yes	Director McMillan	Absent
Director Peksi	Yes		

RESOLUTION NO. 3163

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASTAIC LAKE WATER AGENCY AWARDING A CONTRACT TO CP SYSTEMS FOR VIDEO SURVEILLANCE SYSTEMS UPGRADES

WHEREAS, the Board of Directors has determined that video surveillance system upgrades would enhance security for the RVWTP and ESFP properties and would address the security issues of the Agency; and

WHEREAS, the proposals were scored in four functional areas: (1) professional response, (2) vendor's qualifications, (3) cost assessment and (4) references; and

WHEREAS, CP Systems received a high score based on a technical plan, fast response time for services, good references and competitive price; and

WHEREAS, the Board finds, after consideration of the recommendation of staff, that CP Systems offers the services the Agency needs.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Castaic Lake Water Agency does authorize the General Manager to execute a contract in an amount not to exceed \$132,000 with CP Systems, subject to review and approval by Legal Counsel.

Director Atkins requested that at a future meeting staff give a report on what the Agency and SCWD are doing to prevent a cyberattack (Item 7).

Upon motion of Director Kelly, seconded by Director Gladbach and carried, the Board went into Closed Session at 8:37 PM to discuss the items listed on the Agenda by the following voice votes (Item 8):

Director Atkins	Yes	Director Campbell	Yes
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Director Colley	Absent	Director Cooper	Yes
President DiPrimio	Yes	Director Efstathiou	Yes
Director Gladbach	Yes	Director Kelly	Yes
Vice President Martin	Yes	Director McMillan	Absent
Director Pecs	Yes		

The Board took a recess at 8:38 PM and reconvened at 8:45 PM.

Upon motion of Director Gladbach, seconded by Director Campbell and carried, the Board voted to come out of Closed Session at 9:39 PM by the following voice votes:

Director Atkins	Yes	Director Campbell	Yes
Director Colley	Absent	Director Cooper	Yes
President DiPrimio	Yes	Director Efstathiou	Yes
Director Gladbach	Yes	Director Kelly	Yes
Vice President Martin	Yes	Director McMillan	Absent
Director Pecs	Yes		

President DiPrimio reconvened the Open Session at 9:39 PM.

Joe Byrne, Esq., reported that under Item.8.1 Claims of Dan Del Valle, et.al. against Castaic Lake Water Agency, Claim of Personal Injury and Claim of Property Damage, Date of Claim May 4, 2017, Claim Nos. 17-0665 and 17-0667, the Board voted to reject the claim by the following voice votes (item 9):

Director Atkins	Yes	Director Campbell	Yes
Director Colley	Absent	Director Cooper	Yes
President DiPrimio	Yes	Director Efstathiou	Yes
Director Gladbach	Yes	Director Kelly	Yes
Vice President Martin	Yes	Director McMillan	Absent
Director Pecs			

There were no other actions taken in Closed Session that were reportable under the Ralph M. Brown Act (Item 9).

Upon motion of Director Kelly, seconded by Director Campbell and carried, the meeting was adjourned at 9:40 PM by the following voice votes (Item 10):

Director Atkins	Yes	Director Campbell	Yes
Director Colley	Absent	Director Cooper	Yes
President DiPrimio	Yes	Director Efstathiou	Yes
Director Gladbach	Yes	Director Kelly	Yes
Vice President Martin	Yes	Director McMillan	Absent
Director Pecs	Yes		


April Jacobs, Board Secretary

ATTEST:


Vice President of the Board

